

Supporting Iowa's Health Care

Prepared by the Office of Senator Tom Harkin



BOOSTING MEDICARE PAYMENTS TO IOWA

For too long, Iowa has not received its fair share of Medicare dollars due to inequitable reimbursement rates. That's why Tom Harkin authored the "Medicare Fairness in Reimbursement (FAIR) Act of 2001" (S. 1020). This bipartisan bill requires the Centers for Medicare and Medicaid Service (CMS) to improve the fairness of payments under the original Medicare fee-for-services system by:

- Adjusting payments for items and services so that no state is paid more than 105% above the national average and no state is paid below 95% of the national average; and,
- Requiring Medicare Part B to narrow the range on the Geographic Payment Classification Indices (GPCIs), improving the fairness in reimbursement to all providers, but especially to rural practitioners.

The Bottom Line:

The FAIR Act would bring an extra \$1 billion a year to Iowa in Medicare reimbursements, improving service to seniors.

STOPPING UNFAIR MEDICARE CUTS TO IOWA HEALTH PROFESSIONALS

Iowans can depend on the highest quality health care from our talented and well trained physicians and health professionals. Dedicated healers deserve our nation's support with adequate Medicare physician reimbursements. Yet Medicare has proposed a 5.4 percent payment cut for 2002. That's why Senator Harkin supports the Medicare Physician Payment Fairness Act of 2001 (S. 1707). This bipartisan legislation would:

- Reduce those unfair cuts to just 0.9 percent below the 2001 level; and,
- Require the Medicare Payment Advisory Commission (MedPAC) to conduct a study in order to replace the current formula with one that more accurately accounts for changes in the costs of providing services.

The Bottom Line:

The Medicare Physician Payment Fairness Act would bring \$2 billion to Iowa providers, ensuring the best care for Iowa's seniors.

HELPING IOWA MEET ITS MEDICAID NEEDS

Iowa, like so many states, is facing a serious budget shortfall due to the recession which may force deep cuts in Medicaid -- as much as \$18 million in state funds that would have leveraged an additional \$32 million in federal matching funds. That's why Senator Harkin proposed to temporarily increase the federal government's match of state Medicaid spending by 3 percent. The Harkin Medicaid Proposal would:

- Provide Iowa an additional \$60 million in federal Medicaid funds for this year and help the state avert impending Medicaid cuts.

The Bottom Line:

The Harkin Medicaid Proposal would reverse proposed state Medicaid cuts.